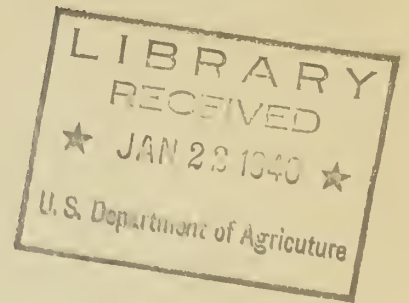


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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Service



REPORT OF INVESTIGATION

OF THE

IDAHO FEDERAL-STATE INSPECTION SERVICE FOR FRUITS AND VEGETABLES,

OCTOBER 1939

By

William E. Paulson, Assistant Marketing Specialist

Washington, D. C.
December 1939

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The shipping point inspection of fruits and vegetables grown in Idaho is made possible through a cooperative agreement between the Idaho Department of Agriculture and the Agricultural Marketing Service of the United States Department of Agriculture. This service has been available to growers and shippers in Idaho since August 15, 1922, when the first agreement of this nature was made effective. Mr. L.G. Schultz has supervised this work for the Federal Department since that time. He also supervises the fruit and vegetable inspection work in Montana under a similar cooperative agreement and a proportionate part of his salary and travel expenses is paid by the State of Montana, thereby reducing the amounts of these costs to the State of Idaho.

The records of the Federal Department show that Mr. Schultz was one of the early employees engaged in inspection work after its organization, and that he had considerable inspection experience in various receiving markets and in other States prior to his assignment to Idaho. His experience includes the handling of the inspection work at the Fort Worth and Dallas offices for several years. He was in charge of the Kansas City office for a number of years thereafter, and also served as Supervisor of the Federal-State inspection work in Missouri.

The volume of fruits and vegetables inspected in Idaho has grown materially since the inauguration of the service. During the early years of the work from 11,000 to 18,000 carloads of fruits and vegetables were inspected annually. This volume has grown in recent years to more than 30,000 carloads a year, and in the fiscal year ending June 30, 1939 more than 40,000 carloads were inspected.

The purpose of the cooperative inspection agreement between the State of Idaho and the Federal Government is to make the Federal shipping point inspection service authorized by the Congress of the United States more extensively available to citizens of the State of Idaho than would be feasible without the aid and cooperation of an agency in the State, and to issue joint Federal-State certificates. The joint arrangements which have been followed are similar to those which have been developed in conducting the inspection work in 44 other States. Legal authorization and funds for the national inspection work in receiving markets and at shipping points are provided annually by Congress in its appropriations for the Federal Department of Agriculture.

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Under the legislative authorization for this work enacted by the Congress of the United States, the Secretary of Agriculture is authorized to enter into these cooperative arrangements independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, boards of trade, chambers of commerce, or other associations of business men or trade organizations, and persons or corporations engaged in the production, transportation, marketing, and distribution of farm and food products, whether operating in one or more jurisdictions. /1 /2

State standardization legislation became effective in Idaho in 1917, with the passage of an act authorizing the State Department of Agriculture from time to time to establish and promulgate standards for open and closed receptacles for farm products and standards for the grade and other classification of farm products. The law also provides that the Department may prescribe and promulgate rules and regulations governing the marks, brands, or labels which may be required upon receptacles for farm products. The law provides further that standards established under authority of the Congress of the United States shall as far as applicable be established as official for the State of Idaho.

In 1929 additional legislation was enacted by the State of Idaho that required marking of packages of potatoes with the official U.S. grade designation with the exception of the U.S. No. 2 grade. This law was amended in 1937 to permit the shipment of U.S. No. 1 potatoes without marking the packages with the official U.S. grade name, provided the lot carried an official inspection certificate showing the potatoes to be of the grade declared.

It is under the provisions of these laws that the State has entered into cooperative inspection arrangements with the Federal Government, and most of the potatoes and onions, as well as fruits and some other products, have been inspected by the Federal-State inspection service.

Enforcement of the marking requirements included in these State laws apparently has led to considerable confusion on the part of growers and shippers regarding the duties of the Federal Supervising Inspector, as many believe that he has been handling the administration of these State statutes in addition to supervising the Federal-State inspection service for the Federal Department. This situation was reflected in many instances in which persons indicated that their difficulties with the service resulted from the enforcement of compulsory State grading and branding regulations.

/1 Public No. 159 - 76th Congress, Chapter 253, 1st Session - An Act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1940, and for other purposes (53)

/2 Perishable Agricultural Commodities Act, 1930 (46 Stat. 531)

The previous reference to the regulations of the United States Department of Agriculture clearly indicates that the Federal-State inspection service is entirely a permissive matter on the part of those who use it, and there is no compulsory legal basis for the work. Whether or not a State agency or other agencies desire to undertake cooperative shipping point inspection work is strictly a voluntary question which is entirely for them to decide. Moreover, it is also a question for a State or group to decide for itself whether it shall adopt compulsory legal measures requiring the branding of fruits and vegetables or the inspection thereof in terms of the Federal grades by Federal-State inspection, neither of which is mandatory under Federal authorization. In conducting the shipping point service it is the policy of the Agricultural Marketing Service to cooperate with States and agencies which elect to utilize the service in order to make it more generally available to the growers and shippers involved.

The operations of the service under these cooperative arrangements are joint with respect to the parties concerned. For example, the agreement in effect with the State of Idaho at present provides that the Federal Department is to be represented through a Federal Supervising Inspector who is responsible for the interpretation of the grades involved, the inspection procedure followed, and the licensing of inspectors employed by the State Department of Agriculture considered necessary and qualified to carry out the work. The State is to collect the fees necessary to support the work and to assume all expenses of operating the service, including the salary and traveling expenses of the Federal Supervising Inspector. The agreement includes the following provisions regarding the supervision of the work and the employment of inspectors:

"(a) The Federal Bureau will designate one of its employees to act as Federal Supervisor who shall be charged with the detailed supervision on behalf of the Federal Bureau of the work of the individual inspectors employed or licensed under this agreement under the provisions of Service and Regulatory Announcements No. 93, second revision, of the U.S. Dept. of Agriculture.

"(b) The State Department will designate a 'Supervisor for the State' to have general supervision on its behalf of the work herein provided for, and to act jointly with such officers or employees of the Federal Bureau as may be designated for or assigned to this work.

"(c) State employees or others deemed competent by the Federal Supervisor will be licensed to issue joint Federal-State certificates in accord with Regulation 6 of Service and Regulatory Announcements No. 93, second revision, of the U.S. Dept. of Agriculture. Such Assistant Federal Supervisors as the Federal Supervisor shall deem necessary shall be designated by him from those licensed under the provisions of this paragraph.

"(d) It is mutually agreed that only such inspectors as are satisfactory to Federal and State Supervisors will be assigned to or employed for this work by the State, and that the order in which inspectors employed for seasonal work are released shall be approved by Federal and State Supervisors.

"(e) It is mutually agreed that any licensed inspector is subject to dismissal for substantiated charges of incompetency or dishonesty. The Federal Department reserves the right to suspend any license when it deems such action for the good of the service as provided by Regulation 6, Section 2, of Service and Regulatory Announcements No. 93, second revision, of the U.S. Dept. of Agriculture, and the Federal Supervisor will furnish the State Department with a written statement of his reasons for any such action. The State Department will furnish the Federal Supervisor a written statement of its reasons for the dismissal of any licensed inspector who has not been recommended for dismissal or whose license has not been withdrawn by the Federal Supervisor.

"(f) Details of procedure on the part of food products inspectors appointed or licensed to act on behalf of the United States will be governed by the rules and regulations of the U.S. Department of Agriculture, as contained in Service and Regulatory Announcements No. 93, second revision. The State reserves the right to issue any separate, additional, or supplemental instructions not inconsistent with those of the United States Department of Agriculture, which may be necessary to comply with the State laws or policies."

The service in the State of Idaho is supported entirely from fees collected from those using the service, as no appropriations have been made by the State Government for this purpose. It has been fully self-supporting for a number of years, and cash reserves have been set aside to provide for unforeseen contingencies.

Reasons for the Investigation

This investigation was undertaken in response to a request to the Agricultural Marketing Service made by the Honorable E.N. Pettygrove, Idaho Commissioner of Agriculture, which it is claimed grew out of reported complaints of dissatisfaction from various growers and shippers of fruits and vegetables. Reports of this nature were made early in 1939, shortly after the present State administration assumed office, when a joint resolution was adopted by the Idaho State Legislature requesting changes in the cooperative inspection agreement and the transfer of the Federal Supervisor from the State. These questions were given consideration by those in charge of the Federal inspection service at the time, with the result that certain revisions were made in the cooperative agreement. These changes apparently did not satisfy those complaining about the service, who continued their demands for the transfer of the Federal Supervising Inspector.

In reviewing the record of the Federal-State inspection service in the State of Idaho during recent years, it appears that previous State administrations on assuming office had followed the practice of complaining about the service, especially some of the inspectors then employed, with a view to removing part or all of the personnel and filling the vacancies with their selections. This recurring condition has contributed to considerable uncertainty on the part of many persons in the industry who use the service and pay the cost thereof regarding the soundness of such operating policies. This condition naturally has led to certain inefficiencies and lack of uniformity in interpretations of the grades. Dismissal of competent and experienced inspectors for reasons other than the efficiency of the service has never been considered by the United States Department of Agriculture to be in the best interests of the work. Federal officials in charge of the inspection work state that a service satisfactory to the users thereof cannot be based on any policy other than efficient administration through the use of well-trained, competent, and unbiased inspectors, and that they find themselves in opposition to State authorities who desire to make sweeping personnel changes on assuming office.

In view of these experiences and the recent complaints expressed by the Idaho State Department of Agriculture, the Agricultural Marketing Service agreed to investigate the situation thoroughly to ascertain for itself the facts in the situation, especially the charges regarding the Federal Supervising Inspector. The principal complaints reported by Commissioner Pettygrove are that Mr. L.G. Schultz, the Federal Supervising Inspector, took an arbitrary and noncooperative attitude and should be transferred from his assignment in Idaho, and that the inspectors were not uniform in their interpretations of the standards and sometimes were biased in favor of the shippers.

As a means of exploring these complaints and others which have been made, the Washington office of the Agricultural Marketing Service assigned the writer to the State for the purpose of obtaining a representative cross section of the views of growers and shippers in the different fruit and vegetable districts regarding the service and Mr. Schultz's work as Supervisor. Mr. Schultz was relieved of his duties in Idaho while the investigation was in progress. In his absence, the service was conducted by Mr. D.C. Beeler, Federal Regional Supervisor, who was instructed to supervise the work during the investigation and to report his observations concerning the interpretations of the grades which were followed by the inspectors, and any other points which he found were necessary for the efficient functioning of the service.

Procedure in Conducting the Investigation

Mr. Beeler and the writer on their arrival in Boise on September 28, 1939, called on the State officials to discuss the manner in which the work would be undertaken and to obtain the names and addresses of representative persons in the fruit and vegetable industries who would be able to comment on the complaints which had been made. Commissioner Pettygrove indicated that groups of growers had called on him to file complaints against the Federal Supervisor but he did not furnish the names of these persons. The Commissioner suggested that interviews be obtained with various State legislators who had been active in the passage of the legislative memorial regarding the inspection service, to ascertain their views and secure the names of persons who had discussed the matter with them. A form was prepared to be followed in holding the interviews which would constitute a signed statement by each person interviewed. A copy of the form is attached to this report (figure 2).

Fifteen State Senators and Representatives were interviewed, of which seven stated that no one had asked them to vote for the memorial requesting the removal of Mr. Schultz. Six legislators stated that a total of 38 persons had requested them to vote in favor of the memorial, and supplied the names and addresses of these persons. There were two who said that they had received similar requests but were unable to recall the names of the persons making the complaints.

Of the 38 persons whose names were furnished, 21 were interviewed. Ten stated that they favored retaining Mr. Schultz, four were uncertain in their opinions, six favored his removal, and one favored Mr. Schultz's removal unless he would accede to the transfer of one of the district supervisors.

It was difficult to reach many growers except in the evening on account of the busy harvesting season. In order to help obtain an adequate cross section of the views of the industry, approximately 400 notices of the writer's itinerary were mailed to a list compiled from the mailing list of the Idaho Advertising Commission provided by Commissioner Pettygrove, by selecting one name from approximately each twenty names on the list. Interviews in the Idaho Falls district were facilitated greatly through radio announcements by the Idaho Falls Potato Growers Association inviting persons to contact the writer for interviews at various places throughout the area. Publicity in a number of local newspapers also helped to increase the number of interviews which were made.

On the completion of the field work the list of names of persons interviewed was shown to the Governor and to Commissioner Pettygrove, and both stated that in their opinion a sufficient coverage had been made to obtain a representative cross section of the fruit and vegetable industry.

Results of the Investigation

Growers and shippers in each important producing district in the State were interviewed, and an adequate cross section in each area is believed to have been obtained (figure 1).

The persons interviewed were divided into classifications according to the type of fruit and vegetable operation conducted. There were four general classes on this basis, namely, dealer, dealer-grower, grower-shipper, and grower. The terms "dealer" and "grower" are well understood, but it is necessary to define those of "dealer-grower" and "grower-shipper." The former is a type of operator who deals in produce in addition to growing a part of the volume he handles. A grower-shipper is a person who grows all of the produce he ships to market. Cooperative marketing associations were included in this classification.

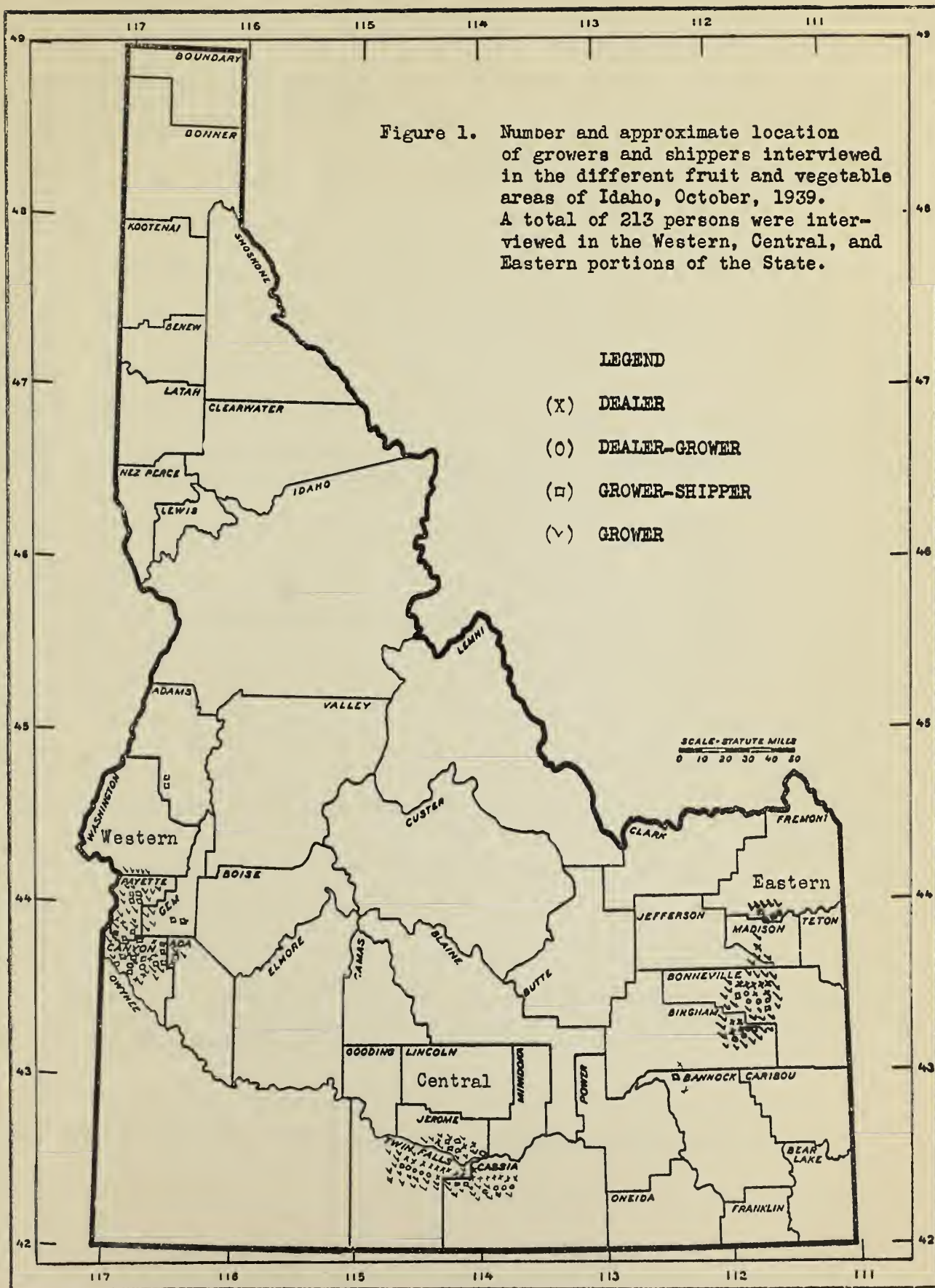
A total of 213 persons who conducted the types of business defined were interviewed in the principal producing districts (table 1).

Table 1. - Number of persons interviewed and volume represented in the Idaho fruit and vegetable districts by type of operator, October 1939

Classification:	: Western district:		: Central district:		: Eastern district:		: Total	
	: Persons: Cars		: Persons: Cars		: Persons: Cars		: Persons: Cars	
	: Number	: Number	: Number	: Number	: Number	: Number	: Number	: Number
Dealers	: 9	: 5,714	: 21	: 12,284	: 15	: 15,050	: 45	: 33,048
Dealer-growers	: 2	: 1,400	: 9	: 7,308	: 9	: 4,590	: 20	: 13,298
Grower-shippers	: 20	: 5,608	: 5	: 1,305	: 6	: 4,600	: 31	: 11,513
Growers	: 43	: 1,297	: 38	: 955	: 36	: 920	: 117	: 3,172
	: :	: :	: :	: :	: :	: :	: :	: :
Total	: 74	: 14,019	: 73	: 21,852	: 66	: 25,160	: 213	: 61,031

These persons produced or handled approximately 61,031 carloads of produce. It should be kept in mind that there may be some duplication in these volume figures since some of the quantities reported by growers may be included in the amounts reported by the dealers.

By far the largest number of interviews were with growers, as almost 70 percent of the total consisted of growers and grower-shippers. Growers whose annual production was less than 25 carloads of produce represented more than 35 percent of the total number of persons included in the survey. On the basis of volume handled, the dealers and dealer-growers comprised about three-fourths of the total.



(Fig. 2 - Form Used in Collecting Information on which This Report is Based)

Date _____

Agricultural Marketing Service
U. S. Department of Agriculture
Washington, D. C.

Name _____ Address _____

Nature of business _____ in Idaho for _____ years.

Tonnage 1938-39 _____ Tonnage 1939-40 _____ Commodities _____

1. How do you come in contact with the Federal-State Inspection Service? _____

2. Do you know Mr. L. G. Schultz? _____

3. What are your impressions of the service as to quality of work, efficiency,
and caliber of inspectors and supervisors? _____

4. What are the weaknesses of the service? _____

5. How would you improve the service? _____

6. If you are dissatisfied with the present Federal Supervisor of Inspection,
have you at any time called it to the attention of the Honorable Governor
and/or Commissioner of Agriculture of Idaho? If so, to whom and when? _____

7. Should the Federal-State Inspection Service be eliminated entirely? _____

Name

I, _____, make the following voluntary statement to William E. Paulson, known to me to be an Agent of the United States Department of Agriculture. I have been advised that I do not have to make any statement and that anything I may say can be used if needed:-

Signed before me on this _____ day
of _____ 1939 A. D.

Signature

Generally speaking, about one-third of those included in the survey were in each of the three districts, classified as western, central, and eastern. The western district includes the producing area from Boise west to the State boundary; the central area comprises the Twin Falls section from Buhl to Rupert; and the eastern district extends from Pocatello north to St. Anthony.

Attitudes Regarding Transfer of L.G. Schultz

Summarizing the replies to the question as to whether it is necessary or desirable to transfer Mr. Schultz from the Idaho inspection work, more than 73 percent of those interviewed, who represent over 90 percent of the volume included in the reports, did not favor this action (table 2).

Table 2. - Attitudes of persons interviewed regarding the transfer of the Federal Supervising Inspector of Idaho, October 1939

Attitude	Persons interviewed:		Carlots	
	Number	Percent	Number	Percent
Favor retaining Mr. L.G. Schultz	157	73.7	55,482	90.9
Oppose retaining Mr. L.G. Schultz	26	12.2	1,252	2.1
Uncertain	30	14.1	4,297	7.0
Total	213	100.0	61,031	100.0

Approximately 12 percent of those interviewed stated that Mr. Schultz should be transferred from the State. These persons comprised about 2 percent of the total volume included in the survey. A somewhat larger proportion, however, were uncertain in their views on this point.

More than a majority of the growers interviewed stated that they favored retaining Mr. Schultz as Federal Supervising Inspector. The proportion of growers who expressed opposition to him, however, was larger than the proportion of those persons engaged wholly or partly in marketing operations who opposed him (tables 3 and 4).

Table 3. - Attitudes of persons classified according to type of operation in the fruit and vegetable industry of Idaho by number and percentage represented, October 1939

Attitude	Dealers		Dealer-growers		Grower-shippers		Growers	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Favor retaining Mr. L.G. Schultz	43	95.6	17	85.0	30	96.8	67	57.2
Oppose retaining Mr. L.G. Schultz	0	0	0	0	1	3.2	25	21.4
Uncertain	2	4.4	3	15.0	0	0	25	21.4
Total	45	100.0	20	100.0	31	100.0	117	100.0

Table 4. - Attitudes of persons classified according to type of operation in the fruit and vegetable industry of Idaho by volume and percentage represented, October 1939

Attitude	Dealers		Dealer-growers		Grower-shippers		Growers	
	Cars	Percent	Cars	Percent	Cars	Percent	Cars	Percent
Favor retaining Mr. L.G. Schultz	30,748	93.0	11,788	88.6	11,013	95.7	1,933	60.9
Oppose retaining Mr. L.G. Schultz	0	0	0	0	500	4.3	752	23.7
Uncertain	2,300	7.0	1,510	11.4	0	0	487	15.4
Total	33,048	100.0	13,298	100.0	11,513	100.0	3,172	100.0

There were, however, a number of growers equal to the number who opposed him, who stated that they were uncertain in their opinion regarding the desirability of Mr. Schultz's transfer.

Various reasons for their opinions were offered by the 25 growers who stated that Mr. Schultz should be relieved of his duties as Federal Supervising Inspector. Nearly one-third of these growers, who represented almost half of the volume included in the group favoring a change in Supervisors, stated that such a transfer should be made to remove the source of dissatisfaction and thereby restore harmony in the fruit and vegetable industry.

Seven growers stated that Mr. Schultz was too strict in his supervision of interpretations and inspection procedure, and six indicated their belief that Mr. Schultz had held his assignment as Supervisor in Idaho too long and had become too well acquainted with the dealers and favored them to the disadvantage of the growers. Other reasons which were given by a few growers were that Mr. Schultz did not cooperate with growers or meet their demands in accomplishing changes in the service; that there was too much variation among inspectors in interpreting the grades; and that Mr. Schultz was too active in aiding the enforcement of compulsory State inspection and branding regulations.

There was considerable variation between the opinions expressed in the different districts. In the western district there was almost unanimous expression in favor of retaining Mr. Schultz (table 5).

Table 5. - Attitudes of 74 persons in the western district of Idaho representing 14,019 cars classified according to type of operation, October 1939

Attitude, by type of operation :	Persons :		Cars represented :	
	Number	Percent	Number	Percent
Favor retaining Mr. Schultz:				
Dealers	9	100.0	5,714	100.0
Dealer-growers	2	100.0	1,400	100.0
Grower-shippers	20	100.0	5,608	100.0
Growers	34	79.1	1,121	86.4
Total	65	87.8	13,843	98.7
Oppose retaining Mr. Schultz:				
Dealers	0	0	0	0
Dealer-growers	0	0	0	0
Grower-shippers	0	0	0	0
Growers	6	13.9	125	9.7
Total	6	8.1	125	0.9
Uncertain:				
Dealers	0	0	0	0
Dealer-growers	0	0	0	0
Grower-shippers	0	0	0	0
Growers	3	7.0	51	3.9
Total	3	4.1	51	0.4
Grand total	74	100.0	14,019	100.0

The various marketing agencies in both the central and eastern districts likewise strongly favored his retention, but the attitudes of growers in these sections, although not so favorable, showed a high degree of uncertainty regarding the advisability of the Supervisor's transfer (tables 6, below and 7, on next page).

Table 6. - Attitudes of 73 persons in the central district of Idaho representing 21,852 cars classified according to type of operation, October 1939

Attitude, by type of operation	Persons		Cars represented	
	Number	Percent	Number	Percent
Favor retaining Mr. Schultz:				
Dealers	20	95.2	10,484	85.3
Dealer-growers	7	77.8	6,258	85.6
Grower-shippers	5	100.0	1,305	100.0
Growers	20	52.6	514	53.8
Total	52	71.2	18,561	84.9
Oppose retaining Mr. Schultz:				
Dealers	0	0	0	0
Dealer-growers	0	0	0	0
Grower-shippers	0	0	0	0
Growers	11	29.0	277	29.0
Total	11	15.1	277	1.3
Uncertain:				
Dealers	1	4.8	1,800	14.7
Dealer-growers	2	22.2	1,050	14.4
Grower-shippers	0	0	0	0
Growers	7	18.4	164	17.2
Total	10	13.7	3,014	13.8
Grand total	73	100.0	21,852	100.0

Table 7. - Attitudes of 66 persons in the eastern district of Idaho representing 25,160 cars classified according to type of operation, October 1939

Attitude, by type of operation	Persons		Cars represented	
	Number	Percent	Number	Percent
Favor retaining Mr. Schultz:				
Dealers	14	93.3	14,550	96.7
Dealer-growers	8	88.9	4,130	90.0
Grower-shippers	5	85.3	4,100	89.1
Growers	13	36.1	298	32.4
Total	40	60.6	23,078	91.7
Oppose retaining Mr. Schultz:				
Dealers	0	0	0	0
Dealer-growers	0	0	0	0
Grower-shippers	1	16.7	500	10.9
Growers	8	22.2	350	38.0
Total	9	13.6	850	3.4
Uncertain:				
Dealers	1	6.7	500	3.3
Dealer-growers	1	11.1	460	10.0
Grower-shippers	0	0	0	0
Growers	15	41.7	272	29.6
Total	17	25.8	1,232	4.9
Grand total	66	100.0	25,160	100.0

For example, in the central district a majority of the growers interviewed expressed themselves in favor of continuing Mr. Schultz as Federal Supervising Inspector, whereas in the eastern part of the State the number of growers who stated that they were uncertain about the matter was larger than the number who expressed a definite opinion either favoring or opposing his continuance.

More than half of the 11 growers in the central district or Twin Falls section who recommended Mr. Schultz's transfer from the State gave as their chief reason the necessity of such a change to eliminate the dissatisfaction which had developed in the service. Three growers stated that the inspection interpretations were too technical, and two indicated that Mr. Schultz had held his assignment in Idaho too long.

The principal objections to Mr. Schultz held by the growers interviewed in the eastern or Idaho Falls territory were: extreme technical inspection interpretations, lack of cooperation in meeting the demands of growers for changes in the service, bias in favor of the dealers, too much variation in grade interpretations among the inspectors, and failure to remove the local supervisor, Mr. George Manning.

This condition appears to be due to some extent to the State compulsory regulations governing the marking and inspection of potato shipments which originate chiefly in the Twin Falls and Idaho Falls areas. The statements of many of the growers indicated that they confused the administration of the Federal-State inspection service, which is entirely permissive as to those using it, with the enforcement of the Idaho State regulations which are of a compulsory nature. As explained previously, the Idaho State statutes require certain grade markings on the containers, or the presence of an inspection certificate if containers of U.S. No. 1 potatoes are not so labeled. Naturally, the distinction between the enforcement of these State regulations and the supervision of the Federal-State inspection service may not be clear to many growers, especially when the local inspectors are discharging both functions.

Under these conditions the voluntary character of the service does not appear to be understood clearly, and misunderstanding and confusion have developed as to the functions of the Supervising Inspector. For example, some potato growers who stated that they regarded Mr. Schultz as the "czar" of the industry gave as the reason for their opinion the erroneous understanding that he was responsible for the enforcement of the State regulations. Some growers also stated that he was the local representative of the United States Department of Agriculture in handling various Federal regulatory activities, such as are administered by the Food and Drug Administration and the Bureau of Entomology and Plant Quarantine. These activities are not a part of his duties as Supervisor of the Idaho Federal-State inspection service.

Apparently there is considerable confusion and lack of understanding among growers regarding the responsibilities and duties required of the Federal Supervising Inspector in administering the cooperative inspection work. Many seem to overlook the fact that Mr. Schultz is a full-time Civil Service employee of the United States Department of Agriculture and has been assigned to the State of Idaho by the Agricultural Marketing Service only for the purpose of representing it in executing the provisions of the cooperative inspection agreement with the State of Idaho.

The statistical summaries of the attitudes of persons interviewed in the Idaho fruit and vegetable industry, together with the personal conclusions of the writer, do not justify the removal of Mr. Schultz from his present assignment in the State of Idaho.

Lack of Uniformity in Interpretations and Inspections

Besides obtaining the views of the persons interviewed regarding Mr. Schultz as Supervising Inspector, opportunity was given also for voluntary complaints and suggestions for the improvement of the Federal-State inspection work. The most common opinion in this respect expressed by growers as well as dealers was the view that there was too much variation among individual inspectors as to the interpretations of the grades. This comment usually was followed by the statement that the inspection service required more supervision instead of less, and that a larger number of supervisors should be employed to correct these conditions. These opinions are summarized in tables 8 below and 9 on the following page.

Table 8. - Persons expressing the opinion that there is too much variation in grade interpretations in the Federal-State Inspection Service of Idaho, October 1939

District and type of operation	Persons interviewed		Persons expressing opinions			
	Number	No. of cars represented	Number	Percent	Cars represented Number	Percent
Western district:						
Dealers	9	5,714	0	0	0	0
Dealer-growers	2	1,400	0	0	0	0
Grower-shippers	20	5,608	2	10	600	11
Growers	43	1,297	7	16	152	12
Total	74	14,019	9	12	752	5
Central district						
Dealers	21	12,284	9	43	6,433	52
Dealer-growers	9	7,308	5	56	2,875	39
Grower-shippers	5	1,305	2	40	550	42
Growers	38	955	9	24	356	37
Total	73	21,852	25	34	10,214	47
Eastern district:						
Dealers	15	15,050	6	40	6,875	46
Dealer-growers	9	4,590	4	44	1,760	38
Grower-shippers	6	4,600	4	67	2,100	46
Growers	36	920	10	28	196	21
Total	66	25,160	24	36	10,931	43
Grand total	213	61,031	58	27	21,897	36

Table 9. - Persons expressing the opinion that the Federal-State
Inspection Service of Idaho should have more
Supervising Inspectors, October 1939

District and type of operation	Persons interviewed		Persons expressing opinions			
	Number	No. of cars: represented	Number	Percent	Cars represented Number	Percent
Western district:						
Dealers	9	5,714	5	56	2,150	38
Dealer-growers	2	1,400	0	0	0	0
Grower-shippers	20	5,608	6	30	1,535	27
Growers	43	1,297	8	19	203	16
Total	74	14,019	19	26	3,888	28
Central district:						
Dealers	21	12,284	12	57	7,258	59
Dealer-growers	9	7,308	8	89	6,808	93
Grower-shippers	5	1,305	2	40	550	42
Growers	38	955	15	39	506	53
Total	73	21,852	37	51	15,122	69
Eastern district						
Dealers	15	15,050	5	33	7,050	47
Dealer-growers	9	4,590	5	56	3,300	72
Grower-shippers	6	4,600	5	83	4,100	89
Growers	36	920	12	33	227	25
Total	66	25,160	27	41	14,677	58
Grand total	213	61,031	83	39	33,687	55

In the case of both the central and eastern districts the information indicates that the need is felt for a larger degree of supervision than has been provided heretofore.

The officials in charge of the shipping point inspection work in the Agricultural Marketing Service state that this situation has been recognized for some time, but that the Idaho State authorities have not seen fit until recently to provide the additional personnel required for this purpose. The Federal officials also state that one of the chief difficulties encountered in administering the service in Idaho has been the difficulty of maintaining a staff of competent and experienced inspectors, especially during electoral changes in the State Government. These conditions, together with inadequate supervisory assistance provided by the State Department of Agriculture, have resulted in certain inefficiencies and administrative problems which have limited the quality of the work that has been done.

Mr. W.G. Meal, in charge of the Fruit and Vegetable Division of the Agricultural Marketing Service, United States Department of Agriculture, reports that he had discussed this situation with Commissioner Pettygrove during February 1939 and urged the employment of a State supervisor to work with Mr. Schultz. In March 1939 Mr. D.C. Beeler, Federal Regional Supervisor, was instructed to study the Idaho inspection service to observe the uniformity of the inspectors in making grade interpretations and in reporting inspections. He reported that in no instance were inspectors interpreting the grades too strictly, but in many instances the interpretations were below standard, especially in the Twin Falls section. At that time Mr. Beeler reported to the State officials on the necessity for additional supervisors to improve the service. In July 1939 Mr. A.R. Albee was employed as State supervisor.

As indicated early in this report, Mr. Beeler assumed supervision of the service in Idaho during the time the field work on this investigation was in progress. He was instructed by the Federal officials to observe carefully each inspector's work and to report his observations. His comments on this point are as follows:

"I arrived at Boise September 27, 1939 and took charge of the inspection service in Idaho until November 2 during Mr. Schultz's absence. The month of October is one of the heaviest months of the deal in Idaho, as potatoes, onions, apples, and lettuce are being shipped from the various districts of the State.

"In checking with the inspectors, in only two instances during my stay in Idaho did I see any inspector too strict on his interpretation of the grades. One of these was on the matter of shatter bruises on potatoes in the Idaho Falls district, and the other on a factor on onions in the Caldwell district. This was corrected immediately. In many instances I found the inspectors entirely too lax on grade interpretations on potatoes and onions. This was especially the case in the Twin Falls district. It was absolutely necessary that I insist on stricter interpretations in this area.

"After making one hurried trip over the various districts of the State, it was readily apparent that I would have to have the assistance of at least four more key inspectors at certain pivotal points in order to promote uniformity among the inspectors. This matter was discussed with Commissioner Pettygrove and Mr. Rowell, Director, Bureau of Plant Industry, in Boise and they agreed to employ four additional local supervisors, whom I recommended, in the Twin Falls and Idaho Falls districts. This was put into effect as soon as additional inspectors could replace them at their stations. With this additional supervision, I am confident that a much more uniform inspection service can be maintained in Idaho."

CONCLUSIONS

After careful consideration of the information obtained in this investigation, the following conclusions have been reached:

(1) The objections to the continuation of Mr. L.G. Schultz as Federal Supervising Inspector were found to be concentrated mainly in certain localities of the Twin Falls and Idaho Falls districts. The number of persons reporting complaints against Mr. Schultz and the volume of produce that they represented comprised a relatively small proportion of the industry. On the basis of the opinions reported by growers and shippers generally throughout the State, the requests for the removal of Mr. Schultz from Idaho do not represent the views of the predominant majority of the industry who insist on his continuance as supervisor of the work.

(2) A part of the opposition to Mr. Schultz is due to confusion and misunderstanding on the part of many growers regarding the dual activities of the inspectors in doing their work as representatives of the Federal-State inspection service which is entirely voluntary, and also as representatives of the Idaho State Department of Agriculture in enforcing various State shipping regulations which are solely regulatory. The Federal supervisor is concerned only with the correctness of the grade interpretations and the inspection procedure, and is not concerned in any way with the administration of the shipping regulations required by the State. The relationships between the diverse activities handled by the inspectors should be clearly defined and described in such a manner that the present misunderstanding in the industry may be corrected.

(3) The information that was obtained points to variations in the interpretations of the Federal grades by some of the inspectors and to the necessity for adequate continuous supervision to correct this condition and to increase the efficiency of the service. Many persons recommended immediate consideration of appropriate steps to employ the additional supervisors needed for this purpose, and to provide the necessary incentive for inspectors who are competent, well-trained, and unbiased in their work to remain in the service. There was no evidence furnished that the Federal Supervising Inspector or the inspectors favored the interests of the dealers and shippers to the detriment of the growers of fruits and vegetables.

(4) A large number of those interviewed stated that desirable improvement in the operation of the Federal-State inspection service could not be accomplished fully so long as it was administered in cooperation with any agency under which political considerations and expediency may be permitted to influence its administration and the selection and assignment of the inspectors. Many of these persons recommended that steps be taken to eliminate these influences from the service (table 10).

Table 10. - Persons expressing the opinion that the Federal-State
Inspection Service of Idaho
Should be Taken out of State Politics
October 1939

District and type of operation	Persons interviewed		Persons expressing opinions			
	Number	No. of cars represented	Number	Percent	Cars represented Number	Percent
Western district:						
Dealers	9	5,714	4	44	2,000	35
Dealer-growers	2	1,400	1	50	900	64
Grower-shippers	20	5,608	15	75	3,635	65
Growers	43	1,297	23	53	585	45
Total	74	14,019	43	58	7,120	51
Central district:						
Dealers	21	12,284	10	48	5,236	43
Dealer-growers	9	7,308	7	78	6,938	95
Grower-shippers	5	1,305	1	20	220	17
Growers	38	955	7	18	319	33
Total	73	21,852	25	34	12,713	58
Eastern district						
Dealers	15	15,050	4	27	4,650	31
Dealer-growers	9	4,590	1	11	750	16
Grower-shippers	6	4,600	0	0	0	0
Growers	36	920	2	6	80	9
Total	66	25,160	7	11	5,480	22
Grand total	213	61,031	75	35	25,313	41

The writer wishes to acknowledge the assistance and information which he received from the Honorable Governor C.A. Bottolfson and other officials of the State of Idaho, and from the many growers and shippers of fruits and vegetables who reported on the questions included in this report.

Signed

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